



**Coordinating Committee  
San Francisco Bay Area  
Integrated Regional Water Management Plan**  
c/o Marin Municipal Water District  
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June 10, 2011

Mr. Trevor Joseph  
California Department of Water Resources  
Division of Integrated Regional Water Management  
Financial Assistance Branch  
Post Office Box 942836  
Sacramento, CA 94236

Dear Mr. Joseph:

On behalf of the San Francisco Bay Area Integrated Regional Water Management Coordinating Committee, I would like to thank you and the Department of Water Resources for your recommendation to fund the proposal submitted by the Bay Area Clean Water Agencies (BACWA) for the first round of Proposition 84 Implementation Grants. We believe that our proposed projects will meet critical water resources management needs and will provide good value for the citizens of the Bay Area and of California in general.

We have some suggestions for modifications to the proposed decision, which relate to the need to rectify an error in the original application, and to issues associated with disadvantaged communities and the proposal to fund projects in the application of the East Contra Costa County water management group from the Bay Area region's allocation. These comments are provided in more detail below.

### **Arithmetic Error in Application**

The application submitted by the BACWA contained all of the required information about the projects included in the proposal, however, an arithmetic error in the summary spreadsheets resulted in the total grant funding request being \$378,166 too low. The attached letter from Paul Helliker to Tracie Billington, dated January 20, 2011, describes the details of this summation error, and the request to rectify it. We request that DWR augment the grant for the Bay Area proposal by \$378,166, increasing the total grant funding from \$29,715,426 to \$30,093,592. Such an augmentation would not affect the allocation of funds to other regions, as we understand that DWR has more than \$200 million available to allocate in the current round of grants, and this funding would be deducted from the overall Bay Area allocation of \$138 million.

## **Water Quality Projects Benefiting Disadvantaged Communities**

The Bay Area proposal proponents are pleased that full funding has been recommended for the Water Quality Improvement, Flood Management and Ecosystem Restoration in Bay Area Disadvantaged Communities Project. This effort includes several elements aimed at addressing significant water quality threats linked to flood events in some of the Disadvantaged Communities in the Bay Area (Workplan Attachment - 6 of 7, Attachment 12) and we believe that the DWR evaluation should have found that one or more of these meet a critical water quality need under DWR's Program Guidelines. We look forward to continuing to work with DWR during the grant agreement negotiation phase to clarify which of the elements, if any, may be eligible for a waiver for matching costs and working cooperatively to advance similar projects in future IRWM grant rounds.

## **East Contra Costa County Projects**

The proposed decisions on implementation grant funding include a recommendation to fund two projects in the application by Contra Costa Water District on behalf of East Contra Costa County water management group (ECCC) from the funding allocated by Proposition 84 to the Bay Area. These projects consist of a repair of a recycled water pipeline in Pittsburgh and purchase and restoration of parcels to preserve habitat in Contra Costa County, to implement part of their Habitat Conservation Plan.

The Regional Acceptance Process (RAP) documentation noted that the ECCC and the Bay Area regions overlapped in a portion of Contra Costa County. This overlap was to be addressed through the coordination between the two respective water management groups concerning any projects in the overlap area that were proposed for grant funding. The Bay Area's RAP documents specify that any projects that are in the overlap area will be reviewed and ranked by the Bay Area Coordinating Committee and submitted in applications from the Bay Area. These documents were the basis for the approval by DWR of the Bay Area region in the RAP. In this instance, the Bay Area Coordinating Committee did not have the opportunity to review or propose either of these projects for funding.

The Contra Costa County Habitat Conservation Plan project has five potential locations for land acquisition and restoration. The coordinates submitted to DWR for this project were misleading – only two of the five potential locations are within the Bay Area region, with the remainder located in the San Joaquin River region. Consequently, we recommend that DWR designate no more than 50% of the grant funding for this project from the San Francisco Bay Area region allocation.

The Pittsburgh recycled water pipeline repair differs from the recycled water projects that DWR has proposed to fund in the Bay Area's application, in that the Bay Area's projects all provide new recycled water facilities that will reduce the use of potable water in various locations in the Bay Area, thereby offsetting the demand for surface water and groundwater supplies. This pipeline project is part of a recycled water system that serves

customers in both the Bay Area region and in the San Joaquin River region. This project also has a significantly lower match of local funds to the state grant funds, namely, 23% for the Pittsburgh project, compared to 84% for recycled water projects in the Bay Area application. Consequently, we recommend that no more than 50% of the funding for this project be provided by funds allocated to the Bay Area region, which would be an amount similar in magnitude to that proposed for recycled water projects in the Bay Area region's application. The remainder of the funding could be provided from another source, such as interregional funds or funds from the San Joaquin River region.

Thank you again for the recommendation to fund the Bay Area's proposed projects, and for the opportunity to provide these comments. We look forward to working with you to finalize the grant and begin the implementation of these projects.

Sincerely,

Sincerely,



Paul Helliker  
Chairman, Bay Area IRWMP Coordinating Committee

cc: Amy Chastain